

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

MOISES FERNANDEZ
5438 Westford Road
Philadelphia, PA 19120,

Plaintiff,

vs.

NIAGARA CREDIT SOLUTIONS, INC.
420 Lawrence Bell Drive, Suite #2
Williamsville, NY 14221-7820,

Defendant.

CIVIL ACTION NO.

COMPLAINT

I. INTRODUCTION

1. This is an action for damages brought by a consumer pursuant to the Fair Debt Collection Practices Act, 15 U.S.C. § 1692 (“FDCPA”).

2. The FDCPA prohibits collectors from engaging in deceptive and unfair practices in the collection of a consumer debt.

3. Defendant is subject to strict liability for sending a collection letter which violates the provisions of the FDCPA.

II. JURISDICTION

4. Jurisdiction arises under 15 U.S.C. § 1692k and 28 U.S.C. § 1337.

III. PARTIES

5. Plaintiff Moises Fernandez (“Plaintiff”) is a consumer who resides in Philadelphia, Pennsylvania at the address captioned.

6. Defendant Niagara Credit Solutions, Inc. ("Niagara") is believed to be a New York corporation with a place of business in Williamsville, New York and a mailing address as captioned.

7. Niagara regularly engages in the collection of consumer debts in the Eastern District of Pennsylvania using the mails and telephone.

8. Niagara regularly attempts to collect consumer debts alleged to be due another.

9. Niagara is a "debt collector" as that term is contemplated in the FDCPA, 15 U.S.C. § 1692a(6).

IV. STATEMENT OF CLAIM

10. On October 11, 2010, Defendant Niagara sent Plaintiff a collection notice seeking to collect a consumer debt alleged due. A copy of the October 11, 2010 collection notice is attached hereto as Exhibit "A" (redacted for privacy per Fed. R. Civ. Pro. 5.2).

11. The collection notice represents the balance due consists of:

Principal Balance	Interest Balance	Misc Balance
\$9,639.28	\$.00	\$.00

12. Defendant's statement of the "Principal Balance" in its October 11, 2010 collection letter is deceptive and misleading. The principal amount claimed is inaccurate as it includes already accumulated interest and fees.

13. The term "principal", as it is commonly understood, does not include interest and fees assessed on the amount borrowed.

14. Calling already accumulated interest "principal" results in an inaccurate and overstated amount of principal, and hidden interest amounts being demanded.

15. The "Interest Balance" and "Misc Balance" here are misleadingly shown as \$.00. This leads to the misimpression that the entirety of the debt is principal, when that is not the case.

16. The FDCPA prohibits debt collectors from using false, deceptive or misleading means in an attempt to collect a debt alleged due, including misrepresenting the character, status, or amount of the alleged debt. 15 U.S.C. § 1692e and § 1692e(2).

17. Labeling interest amounts as “principal” is deceptive and has practical implications, including potential income tax ramifications.

COUNT I - FAIR DEBT COLLECTION PRACTICES ACT

18. Plaintiff repeats the allegations contained above as if the same were here set forth at length.

19. Defendant Niagara’s October 11, 2010 collection letter violates the Fair Debt Collection Practices Act by using false, deceptive or misleading statements in the collection of a consumer debt, in violation of 15 U.S.C. § 1692e and § 1692e(2).

WHEREFORE, Plaintiff Moises Fernandez demands judgment against Defendant Niagara Credit Solutions, Inc. for:


- (a) Damages;
- (b) Attorney’s fees and costs;
- (c) Such other and further relief as the Court shall deem just and proper.

V. DEMAND FOR JURY TRIAL

Plaintiff demands a trial by jury as to all issues so triable.

Respectfully submitted:

Date: 12/9/10



CARY L. FLITTER
THEODORE E. LORENZ
ANDREW M. MILZ
Attorneys for Plaintiff

LUNDY, FLITTER, BELDECOS &
BERGER, P.C.
450 N. Narberth Avenue
Narberth, PA 19072
(610) 822-0781

EXHIBIT “A”

PO Box 1789
Southgate, MI 48195-0789



Return Mail Address Only

TOLL FREE: 1-800-381-0416

NIA- 332001796686 0000554/0004



Moises Fernandez
5438 Westford Rd
Philadelphia, PA 19120-2640

VISA	MASTERCARD	AMEX	DISCOVER
Expiration	Credit Card Number		CV Code
Amount Authorized		Signature	
Date 10-11-10		Total Amount Due \$9,639.28	
Account Number		Amount Enclosed	

PLEASE SUBMIT PAYMENT TO:



Niagara Credit Solutions, Inc.
420 Lawrence Bell Drive, Suite #2
Williamsville, NY 14221-7820

Niagara Account #	Reference Creditor	Total Amount Due
	TOYOTA FINANCIAL SERVICES	\$9,639.28
Date	Regarding Our Client	Client Account #
10-11-10	TOYOTA MOTOR FINANCE CORP.	
Interest Rate	Principal Balance	Interest Balance
	\$9,639.28	\$0.00
		Misc Balance
		\$0.00

Welcome to Niagara Credit Solutions, Inc. We are here to help. Your account was placed with our collection agency on 10-07-10. In an effort to assist you, we would like to extend the following offers.

- Offer #1. Our client has authorized us to offer you a convenient minimum monthly payment plan of \$25.00 a month towards the balance. If this amount does not meet your budget we may be able to lower the monthly payment amount or change the re-payment terms.
- Offer #2. Our client has authorized us to offer you a settlement in full on the above mentioned account by agreeing accept less than the full balance due to pay-off the account. Upon clearance of sufficient funds, this settlement will satisfy the debt in full saving you money. To accept this settlement offer, we must receive a one-time settlement payment of \$4,819.64 in our office no later than 11-29-10. Failure to meet the settlement terms as listed above may result in the settlement offer being revoked. We are not obligated to renew this offer.

If you have any questions or would like to take advantage of either of these offers, please feel free to contact our office at 1-800-381-0416 and a friendly customer service representative will help to explain your available options. For your convenience we accept check-by-phone, ACH, major credit cards, money-gram and bank-to-bank wire. Operators are standing by to help.

Credit card holders may pay by filling in the boxes above or you may remit a check or money order. Please return the tear off portion with your payment.

Unless you notify this office within 30 days after receiving this notice that you dispute the validity of this debt or any portion thereof, this office will assume this debt is valid. If you notify this office in writing within 30 days from receiving this notice, this office will: obtain verification of the debt or obtain a copy of a judgment and mail you a copy of such judgment or verification. If you request this office in writing within 30 days after receiving this notice, this office will provide you with the name and address of the original creditor, if different from the current creditor.

Federal law requires we notify you that this communication is from a professional debt collector. This is an attempt to collect a debt and any information obtained will be used for that purpose.

Sincerely

Niagara Credit Solutions, Inc.
TOLL FREE: 1-800-381-0416